

A

MESSAGE TO OUR AGENTS

The year just concluded was another excellent one for the Company. Net written premiums reached \$16,732,000 up 10.2% from 1971 and provided us with an underwriting profit of \$1,520,000.

The two major classes of business, Automobile and Fire, were profitable and each reported the highest premium levels in our history. Automobile business increased by \$1,003,000, or 8.3%; Fire premiums were \$562,000 ahead, or 24.9%.

There were 24,950 new claims reported in 1972, up 9.5% in the year. All but 847 claims were processed in the 14 Branch Offices by our own staff adjusters. Automobile and Snowmobile losses accounted for more than 81% of the Claims Department workload.

Improvement in the mix of business is a long range goal aimed at the stabilization of our performance and reduction of the dependency upon a single class of business. Our production plans accept the normal increases in Automobile volume but emphasize more rapid growth in all other classes.

Our new six storey Head Office building has been designated 90 Eglinton Avenue West, Toronto. Pilot will occupy two floors initially and offer the remaining floors for lease. The building was "topped off" in December 1972 and it is estimated that all work will be completed by April 1973 subject to the settlement of a prolonged strike by elevator constructors.

Average agency premium income has increased from \$34,000 to \$59,000 in the past five years and we are proud of our producers who have made this gain possible. I pledge our continuing support to the principals of the Agency System confident that 1973 will record further growth with profit for our partnership.

L. G. Gordon

General Manager

AR27



1972 annual report

John

**PILOT
INSURANCE
COMPANY**
TORONTO, CANADA

Pilot insures:

HOMES • BOATS • CARS
SNOWMOBILES • BUSINESSES

head office TORONTO

branch offices

BARRIE	KINGSTON	PETERBOROUGH
CHATHAM	KITCHENER	ST. CATHARINES
GEORGETOWN	LONDON	SMITHS FALLS
HAMILTON	MARKHAM	TORONTO
HANOVER	OSHAWA	(Willowdale)

DIRECTORS

G. W. Arnett	Trenton, N.J.
N. Eager	Switzerland
J. W. Folk	Philadelphia, Penna.
L. G. Gebhard	Toronto, Canada
R. D. Hasse	Philadelphia, Penna.
K. B. Hatch	Philadelphia, Penna.
G. Horsey	Toronto, Canada
P. J. Lynch	Philadelphia, Penna.
B. R. MacKenzie	Toronto, Canada
J. L. McDougall	Kingston, Ontario
J. H. Orr	Boston, Mass.
J. B. Redpath	Toronto, Canada
A. A. Roberts	Philadelphia, Penna.
L. W. Skey	Toronto, Canada
S. P. Steinberg	New York, N.Y.
J. P. R. Wadsworth	Toronto, Canada
H. E. Wittick	Toronto, Canada

OFFICERS

A. A. Roberts	President
L. G. Gebhard	Vice President & General Manager
R. D. Hasse	Vice-President
J. J. Emmert	Treasurer
B. Greenslade	Secretary
T. S. Ankrum	Assistant Secretary
J. C. Comiskey	Assistant Secretary
R. J. Walke	Assistant Secretary

PILOT INSURANCE COMPANY

(Incorporated under the Laws of Ontario)

BALANCE SHEET AS AT DECEMBER 31, 1972

ASSETS

Cash	\$ 1,748,535
Securities (at market value \$24,075,740)	19,140,669
Net premiums due from Agents	3,446,260
Income taxes recoverable	45,238
Accrued interest and dividends receivable	238,674
Real estate — net	2,138,014
Other assets	97,144
Total admitted assets	<u>\$26,854,534</u>

LIABILITIES

Unearned premiums at 80%	\$ 8,175,161
Provision for losses and loss adjustment expense	7,915,246
Premium taxes payable	91,819
Other liabilities	1,399,691
Total liabilities	<u>\$17,581,917</u>

CAPITAL AND SURPLUS

Capital Stock:

Authorized — 15,000 shares of \$20 par value each	
Issued and fully paid — 10,225	\$ 204,500
Contributed surplus	409,102
Retained earnings	8,659,015
Total capital and surplus	<u>\$ 9,272,617</u>
Total liabilities, capital and surplus	<u>\$26,854,534</u>